H.R. 1868, Technology Innovation and Manufacturing Stimulation Act of 2007

Section-by-Section

Section 1. Short title.

The "Technology Innovation and Manufacturing Stimulation Act of 2007".

Title I – Authorization of Appropriations

Section 101. Scientific and Technical Research and Services.

Authorizes \$470.9 million in FY08, \$497.8 million in FY09, and \$537.6 million in FY10 for the NIST lab activities. Authorizes \$7.9 million in FY08, \$8.1 million in FY09, and \$8.3 million in FY10 for the Baldrige National Quality Award Program. Authorizes \$93.9 million in FY08, \$86.4 million in FY09, and \$49.7 million for construction and maintenance of facilities.

Section 102. Industrial Technology Services

Authorizes \$110 million in FY08, \$141.5 million in FY09, and \$150.5 million in FY10 for the Technology Innovation Program (TIP), which replaces the existing Advanced Technology Program (ATP) (see Section 204). Requires that at least \$45 million in each year be for new TIP awards. Authorizes \$113.0 million in FY08, \$122.0 million in FY09, and \$131.8 million in FY10 for the Manufacturing Extension Partnership (MEP). Sets aside up to \$1 million in FY08 and \$4 million in FY09 and FY10 from the MEP funds for a competitive grant program established in Section 203(c).

Title II – Innovation and Technology Policy Reforms

Section 201. Institute-Wide Planning Report

Requires the Director of NIST to submit a 3-year programmatic planning document for NIST to the Congress concurrent with the budget submission the first year after enactment, and then to submit yearly updates with each new budget submission.

Section 202. Report by Visiting Committee

Changes the reporting requirement for the Visiting Committee on Advanced Technology (VCAT) to be due 30 days after the submission of the President's budget to Congress, and requires the VCAT to comment on the NIST Director's 3-year planning document.

Section 203. Manufacturing Extension Partnership

Establishes the MEP Advisory Board, which consists of 10 members appointed by the NIST Director, serving 3-year terms. 2 members must be employed by or on advisory boards of the MEP Centers, and 5 others must be from small manufacturers. None can be Federal employees. The board meets no less than twice a year, and provides the NIST Director with advice on and assessments of MEP. It also comments on the relevant sections of the NIST Director's 3-year planning document at the same time as the VCAT. The Board is governed by the Federal Advisory Committee Act (FACA).

Allows MEP to accept funds from other Federal agencies and from the private sector.

Establishes the MEP competitive grants program for MEP Centers or consortia of Centers. The grants are peer reviewed and competitively awarded for Center(s) to conduct projects to solve new or emerging manufacturing problems. Awardees are not required to provide matching funds.

Sec. 204. Technology Innovation Program

Repeals the existing Advanced Technology Program (ATP) statute and creates the Technology Innovation Program (TIP).

- <u>Establishment</u> Creates the "Technology Innovation Program" with the purpose of assisting businesses and universities to accelerate the development of high-risk technologies that will have a broadly-based economic impact.
- Grants Provides the Director of NIST with the authority to make grants under this program to either small or medium businesses or joint ventures. For applicants that are single companies, they must be small or medium businesses. Grants are for no more than \$3 million over 3 years, but can be extended at no additional cost provided there is congressional notice. The funding may only be used for direct costs, and can not be more than 50% of total costs. Grants may also be made to joint ventures, which must be led by a small or medium business or a university. A joint venture grant may not exceed \$9 million over 5 years and the federal share of the project must be no more than 50%.
- Award Criteria Provides criteria for the selection of grants based upon scientific
 and technological merit, the project's potential for benefits that extend beyond
 direct return to the applicant, the inclusion of a technical planning document, the
 technical competence of the project team and the organizational structure and
 management plan, and an explanation of why TIP support is necessary.
- External Review of Proposals Requires the Director to consult with industry or other expert sources with no proprietary or financial interest in the project to review the need for or value of any proposal.
- <u>Intellectual Property Rights Ownership</u> Addresses allocation of intellectual property developed by a joint venture. Allows IP to vest to any participant as agreed to by the joint venture participants. In accordance with current law allows

- the Federal government to retain a license for any IP for US government use only. Makes clear that joint venture participants can license their IP.
- <u>Program Operation</u> Requires the Director to issue regulations within 9 months of enactment for the operation of the program, including selection criteria, financial and audit procedures and dissemination of results.
- <u>Continuation of ATP Grants</u> Requires the TIP to continue funding for awards made under the prior Advanced Technology Program.
- <u>Coordination with Other Federal Technology Programs</u> Requires the Director to coordinate with other federal agencies to ensure there is no duplication of effort.
- Acceptance of Funds From Other Federal Agencies Allows NIST to accept funds from other Federal agencies to fund TIP awards. Any awards so funded must be selected and carried out as all other TIP awards.
- <u>TIP Advisory Board</u> Establishes the TIP Advisory Board, which consists of 10 members appointed by the NIST Director, serving 3-year terms. 7 members must be from US industry, and none can be Federal employees. The board meets no less than twice a year, and provides the NIST Director with advice on and assessments of TIP. It also comments on the relevant sections of the NIST Director's 3-year planning document at the same time as the VCAT. The Board is governed by the Federal Advisory Committee Act (FACA).
- Definitions –

<u>Eligible Company</u> – is majority owned by US citizens or is owned by a parent company incorporated in another country provided that the company's participation is in US economic interests, including R&D investment in the US and increasing US employment. Also, the country of incorporation must afford similar opportunities for US companies, and provide for effective protection of IP rights.

<u>Joint Venture</u> – includes either 2 separately owned for-profit companies and the lead must be a small or medium business or at least one small or medium business and one institution of higher education where either can be the lead. Joint ventures may include additional for-profit companies, institutions of higher education or other organizations (such as research institutes).

Sec. 205. Research Fellowships

Raises the amount NIST can spend on research fellowships from 1% to 1.5% of the total appropriations. This will also allow for additional manufacturing research fellowships as established in Section 207.

Sec. 206. Collaborative Manufacturing Research Pilot Grants

Establishes a collaborative manufacturing research pilot grant program for partnerships between (at least) one industry and one non-industry partner, with the purpose of fostering collaboration and conducting applied research on

manufacturing. The award can be no more than 1/3 of the cost of the partnership, with no more than an additional 1/3 coming from other Federal sources. Selection criteria for the awards are based on the breadth of impact of the project, the novelty and scientific merit of the proposal, and the demonstrated capability of the participants. Awards must be distributed among a range of industry sectors and firm sizes. NIST will run one pilot competition and awards will be for 3 years.

Sec. 207. Manufacturing Fellowship Program

Establishes a program of postdoctoral and senior research fellowships at NIST in manufacturing sciences.

Sec. 208. Meetings of Visiting Committee on Advanced Technology

Reduces the frequency of meetings for the Visiting Committee on Advanced Technology (VCAT) from quarterly to twice annually.